

Practice Tip – Missing Participants Remain a Significant Concern for Retirement Plan Sponsors

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When participants in qualified retirement plans are no longer current employees of the plan sponsor, it can be challenging to ensure that the contact information in the plan's records is up to date and accurate. However, inaccurate contact information in the plan's records is problematic for a variety of reasons, including causing operational failures when participants do not receive distribution of benefits by the plan's required distribution date and increasing the possibility of fraud when a participant's information is sent to the wrong address. Plan administrators should review their procedures for locating missing participants and ensure that they are (1) consistent with available guidance from the IRS and the DOL, (2) appropriate for the plan and its participant population, and (3) being followed consistently by the plan administrator or its delegate. Plan administrators should also document any steps undertaken to locate missing participants. The plan's procedures should also address how to handle required distributions to participants who cannot be located after a diligent search or who do not respond to notices in advance of the required distribution date. Further discussion of guidance from the federal agencies regarding missing participants is available in our previous blog posts [here](#) and [here](#). The information below summarizes guidance from the DOL, the IRS and the PBGC regarding steps a plan administrator must take in order to locate missing participants: **PBGC**

- Search Plan and employer records
- Search free public records
- Use certified mail
- Check with designated beneficiaries
- Use a commercial locator service

DOL

- Use certified mail
- Check related plan and employer records
- Check with designated beneficiaries
- Use free electronic search tools
- In certain circumstances, other possible steps include:
 - Use of Internet search tools, commercial locator services, credit reporting agencies, investigation databases and analogous services

IRS

- Search plan and related plan, sponsor, and publicly-available records or directories for alternative contact information
- Use any of the search methods below:
 - A commercial locator service
 - A credit reporting agency
 - A proprietary Internet search tool for locating individuals
- Attempt contact via United States Postal Service (USPS) certified mail to the last known mailing address and through appropriate means for any address or contact information

(including email addresses and telephone numbers)